



# RISKY ISSUES IN ETHICS

**ANNUAL ETHICS TRAINING  
FOR USAID EMPLOYEES  
2006/2007**

# Introduction

**Issues that have recently caused  
compliance problems**



# Got Ethics Questions?

Contact your ethics counselor  
before you act.



# Why Ethics Rules?

- Ensure that we perform our mission with public interest in mind.
- Uphold public's confidence in integrity of Government.

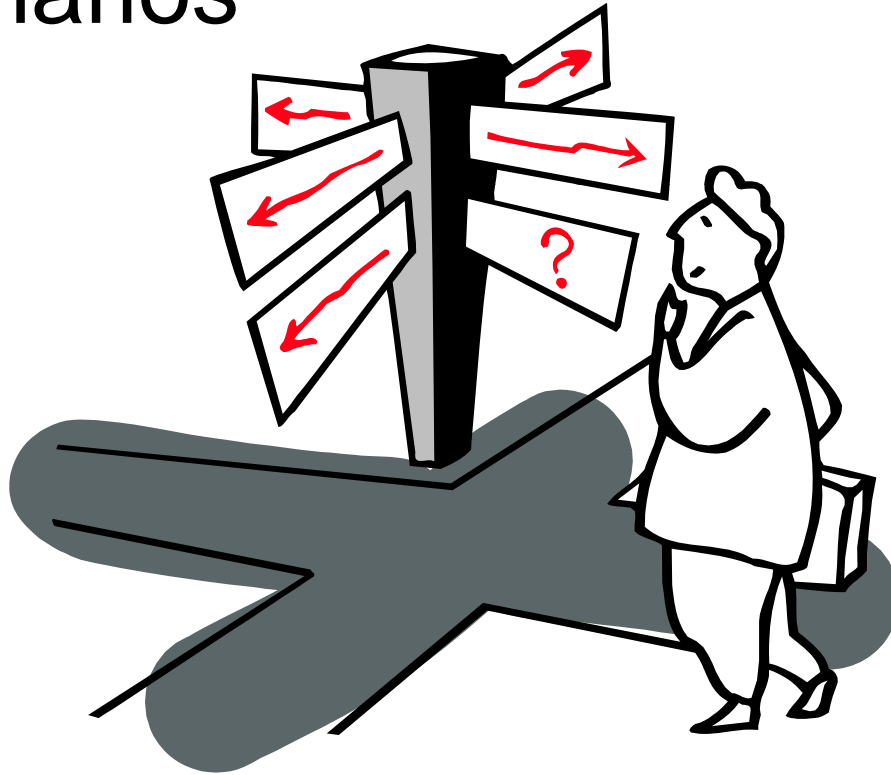


# Topics

- Gifts
- Official Endorsements
- Using Government Resources
- Teaching, Speaking, and Writing
- Post-Government Service  
Employment

# Our Approach

- Scenarios



- Questions

# Gifts

- **SCENARIO:** You will give an official speech in Singapore at a conference with representatives of Asian nations and companies. Fun Cruises, a Chinese corporation that does business with your agency, offers to pay your travel expenses, about \$1,900.

• **QUESTION:**  
May you accept the offer from Fun Cruises?



# Possible Answers

1. No, because the gift exceeds \$20.
2. Yes, because the Foreign Gifts and Decorations Act permits you to accept gifts such as travel expenses from foreign companies when you travel abroad.
3. Yes, because there is a statute that permits your agency to accept payment of expenses for official travel.



# Correct Answer

#3. A statute, 31 U.S.C. § 1353, permits your agency to accept a gift of payment of travel expenses from a source outside the Government for your official travel to a meeting or similar function.



# Gifts (cont)



- **SCENARIO:** You just returned from duty in Iraq. Friends of Peace, an organization that does business with USAID, is offering free tickets (valued at \$35 each), to a concert for Government personnel returning from Iraq and up to 3 family members.
- **QUESTION:** May you accept the free tickets?

# Possible Answers

- 1. Yes, because of the exception for gifts during war or national emergency.
- 2. No, because you can't accept gifts that are offered because you performed an official duty, such as service in Iraq.
- 3. Yes, because there is an exception for gifts offered to all Government personnel or all military members, even if only offered to those in a specific geographical area.

# Correct Answer



# 3. Though you may generally not accept a gift that is offered because of your official position, there is an exception for gifts offered to all Government personnel, even if only offered to those in a specific geographical area.

# General Rule - Gifts

You may not accept a gift from a source outside the Government if the gift:

- is offered by a “prohibited source” (anybody that seeks official action from USAID, has or seeks business with USAID, has activities that are regulated by the agency, or has interests that may be affected by the performance of your official duties); or
- is offered to you because of your official position.



# Gifts (cont.)

- SCENARIO: You get a notice in the mail that you have been awarded the Federal Bureaucrat Obfuscation Award, a 36" crystal buffalo to be engraved with your name, plus a \$1,000 check. The annual award goes to the employee who writes the longest official memo without a verb.



- QUESTION: May you accept?

# Possible Answers

1. Yes. The award is made on a regular basis, with written standards.
2. No. You received the award for doing your job.
3. Yes, as long as you give the buffalo and check to charity.

# Correct Answer

#1. You may accept awards for meritorious public service, even if they stem from your performance at work.

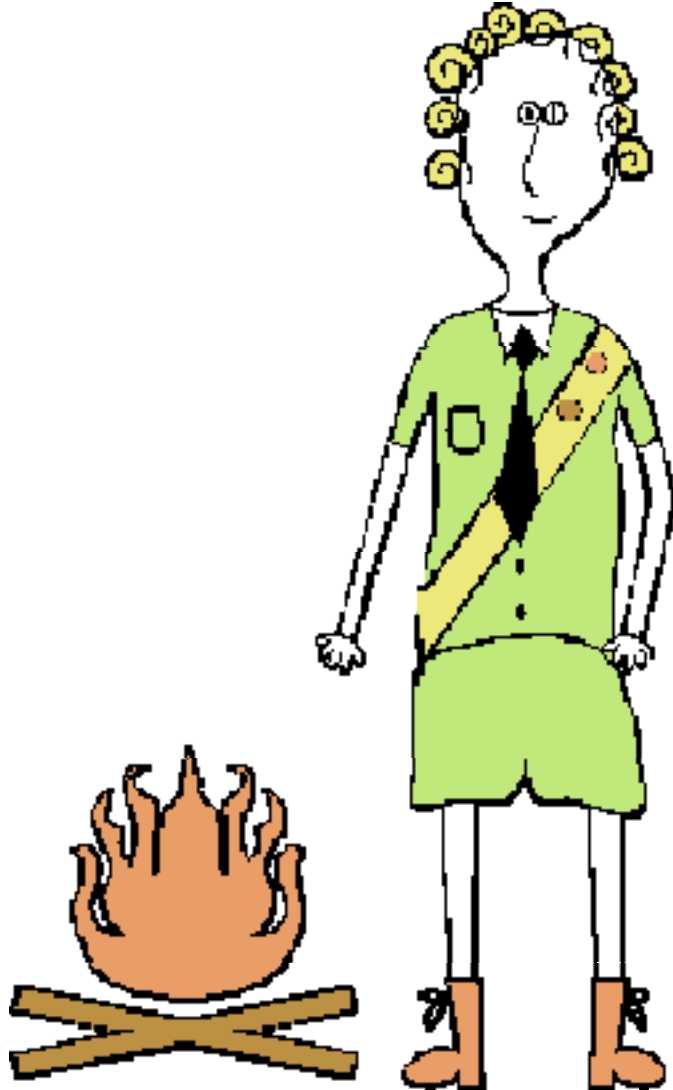


There are conditions:

- 1) The award may not be from someone who has interests that may be affected by the performance of your official duties.
- 2) If the award is cash or investment interests, or if it is more than \$200 in value, then your ethics counselor must determine that the award is presented regularly under written standards.



# Official Endorsements



- **SCENARIO:** Your neighbor, Anita Hand, asks you to write a recommendation for her son, Learned, for his college applications. You only know Learned through your mutual scouting activities.
- **QUESTION:** May you write a recommendation on Government letterhead?



# Possible Answers

1. Yes, because you have known Anita and her son while you are working for the Government.
2. No, there is not enough of an official connection to the Government.
3. Yes, because you work in the office, you may use official letterhead.

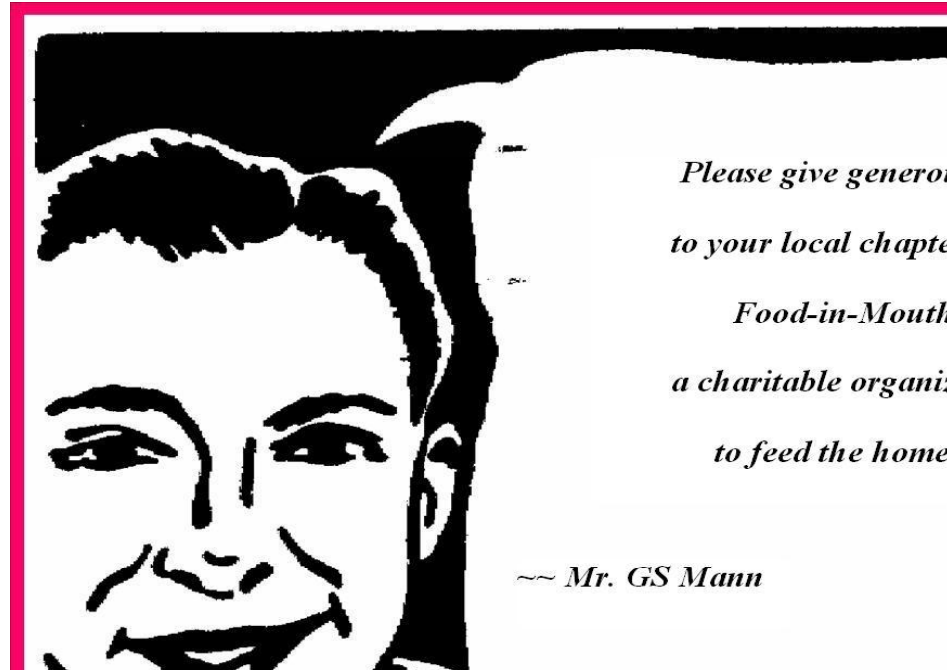
# Correct Answer

#2. Generally, you may not use, or permit someone else to use, your official authority to imply that the Government endorses any personal activity.



## Official Endorsements (cont.)

- SCENARIO: You volunteer your free time to Food-in-Mouth, a charity that feeds the homeless. The charity wants to solicit donations with flyers that highlight the services of its volunteers, including you, and wants to identify you by your Government position.



- QUESTION: May you permit Food-in-Mouth to identify you by your Government position on the flyers?

# Possible Answers

1. Yes. While you may not use your official position to endorse private commercial activities, you may use your official position to endorse worthwhile charities.
2. Yes, because you are a volunteer acting in your personal capacity.
3. No. You generally may not use your official position to endorse any nonfederal activity, including your personal ones.

# Correct Answer

#3.

Generally, you may not use your official position to endorse any non-Federal activity.

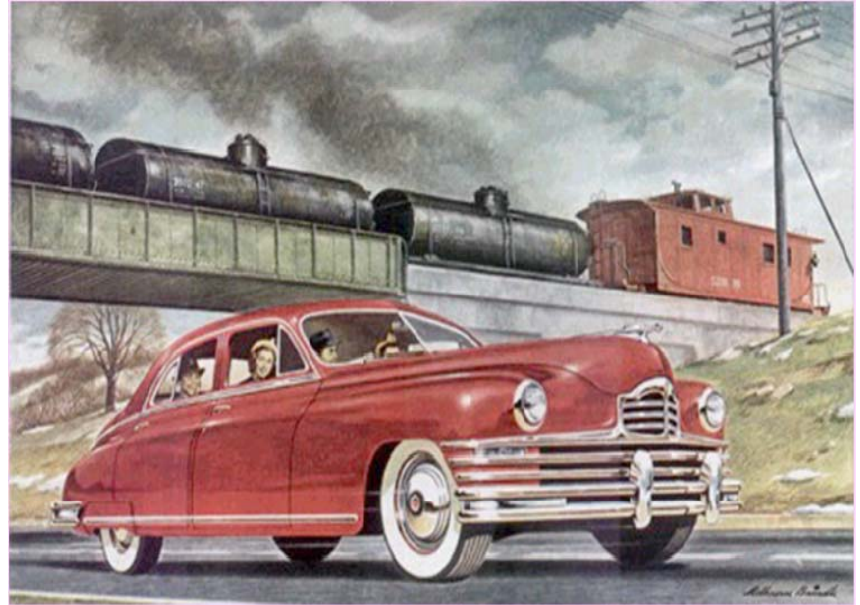


Exceptions:

1. Combined Federal Campaign
2. Emergency and disaster appeals approved by Office of Personnel Management.
3. Organizations composed primarily of agency employees or their dependents, under certain circumstances

# Government Resources

- **SCENARIO:** While you are driving home from work your tire blows out. A gas station a block away replaces the tire right away. You are so thrilled that the problem is solved so easily that you inadvertently use your Government travel card to pay. Later, when you get the bill for the card you immediately pay in full.



•**QUESTION:** Is there a problem here?



# Possible Answers

1. No, because you were commuting from work, you may use your Government travel card.
2. No, because you paid the bill for the travel card right away.
3. Yes, because you were not authorized to use the Government travel card except for expenses incurred when on official travel.





# Correct Answer

- #3. Misuse of Government travel cards and purchase cards has received considerable congressional and media scrutiny in recent years.

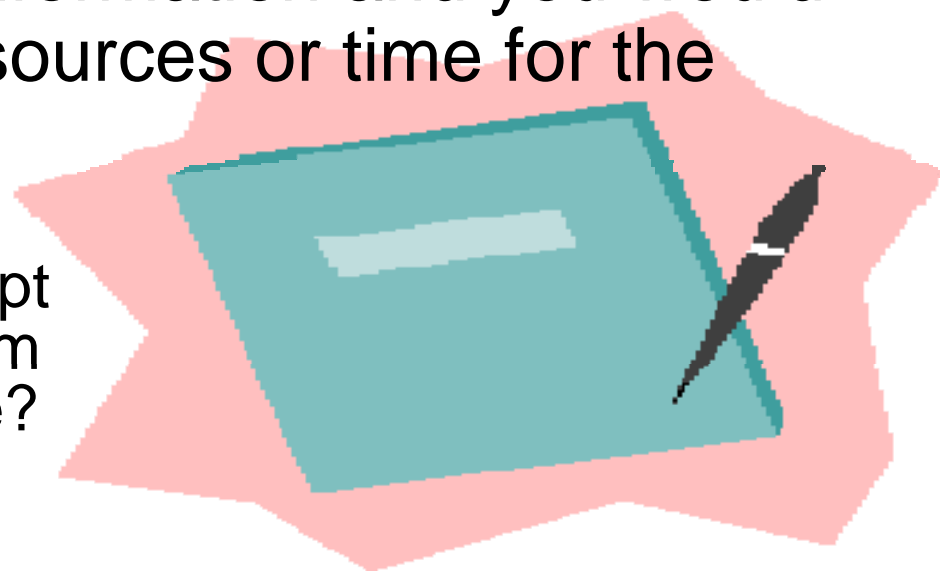
Even when employees have paid off their charges, agencies have taken administrative or disciplinary action.



# Teaching, Speaking, and Writing (Personal)

- **SCENARIO:** Your official duty is to provide advice and information on the establishment of rule of law in several African countries. You plan to write an article for a magazine, African Issues, on issues involving HIV/AIDs in Africa, which does not involve your official duties regarding Africa. You would use only publicly available information and you would not use Government resources or time for the article.

**QUESTION:** May you accept \$2,000 in compensation from African Issues for the article?



# Possible Answers

1. Yes. The article does not involve your official duties regarding Africa.



2. No. The article deals with an ongoing program or operation of your agency, namely, African HIV/AIDs issues
3. Yes. You are using only publicly available information and you are not using Government resources or time.

# Correct Answer

#2. The general rule is that you may not accept compensation from a source outside the Government for teaching, speaking, or writing that relates to your official duties. That includes writings that deal in significant part with an ongoing or announced policy, program, or operation of your agency. HIV/AIDS issues in Africa is a program or operation of your agency, so the article on HIV/AIDS issues in Africa “relates to your official duties,” and you may not accept the \$2,000 compensation for writing about it.

# Teaching, Speaking, and Writing (Personal) (cont.)

- **SCENARIO:** You just returned from assignment to the mission in Afghanistan. Your duty was to set up office equipment and communications links. You started volunteering your free time to help the people of Afghanistan after your convoy was attacked one day. Now that you have returned to the United States, you want to write a book about the attack and about your volunteer work.
- **QUESTION:** May you accept compensation from the publisher?

# Possible Answers



1. Yes, because the attack did not relate to your official duty of setting up offices, and the other experiences involved only your personal activities.
2. No, because when you assigned overseas or TDY, you are on duty 24 hours a day, so everything is official.
3. Yes, if you only write about your personal activities.

# Correct Answer

#3. You may receive compensation for writing about your personal activities that are not related to your official duties.





# Teaching, Speaking, and Writing (Official)

- **SCENARIO:** The International Alternative Energy Association invites you, as the Environment Team Leader at your USAID Mission, to speak at a conference as part of your official duties, and you have official travel orders. The Admission fee of \$200 per day provides private industry officials exclusive access to meetings with other Government speakers.



**QUESTION:** May you speak and participate in the event as part of your official duties?



# Possible Answers

1. No. As a Government official, you may not speak at any conference for which admission is charged.
2. No. Agencies should not participate in events that allow people to buy restricted access to Government officials.
3. Yes, because those private meetings could be quite helpful to you in defining future capabilities and understanding leading-edge technologies.

# Correct Answer

#2. Even if it is in your agency's interests that you speak at the conference, the setting presents a problem. When somebody is trying to "sell" access to public officials, or "deliver" senior officials at private events, it may appear that our officials are giving preferential treatment to the sponsors.

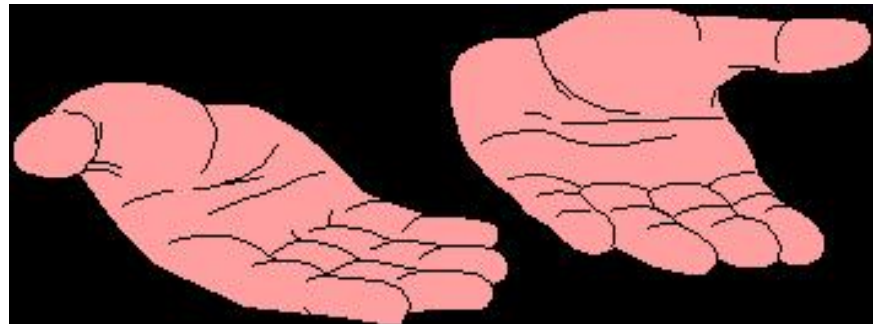


# Teaching, Speaking, and Writing (Official) (cont.)

- **SCENARIO:** Washington Bureaucrats Association invites you to address its conference on “Erasing the Paper Trail”. Since you are not speaking as part of your official duty, you are not offered compensation. But you recognize that the training would be very useful for 5 other people in your office.
- **QUESTION:** May you ask the conference sponsor for 5 tickets in lieu of a speaker’s fee?

# Possible Answers

1. Yes. The tickets are a fair exchange for your agreement to speak at the conference.  
Furthermore, the tickets are for the benefit of the Government, not an individual.
2. Yes. Sponsors usually have spare tickets, and the Government can use them.
3. No. You may not solicit gifts, even for the Government.



# Correct Answer

#3.

The lesson here is to not *solicit* gifts for the Government.



# Teaching, Speaking, and Writing



SCENARIO: The International Malaria Foundation invites USAID's Asst. Administrator for Global Health to address the Foundation's annual fundraiser banquet, with tickets varying from \$1,000 to \$15,000. The AA is anxious to announce a new USAID initiative to send medical teams to Africa to eradicate malaria.

- QUESTION: May the Asst. Administrator make the speech and attend the banquet, even though it is a fundraiser?

## Possible Answers

1. No. Federal personnel may not participate in fundraisers as part of their official duties.
2. Yes. There are some exceptions permitting Federal personnel to support fundraising events of certain organizations, such as the CFC.
3. Possibly, because Federal personnel may make official speeches at certain events, even if the purpose of the events is to raise money.

# Correct Answer

#3. Making an official speech is the only exception to the general prohibition on Federal personnel actively and visibly participating in a fundraising event as part of their official duties.

As the head of a USAID organization, the Asst. Administrator must make several determinations before participating.





# Post-Government Service Employment Restrictions

- **Before you seek any employment outside the Government, contact your ethics counselor for personal advice.**



# Post-Government Service Employment Restrictions (cont.)

- SCENARIO: *Bilkem International*, is a contractor for a USAID Economic Growth program. You interact with the *Lunny Mondering* division of *Bilkem* on technical matters and evaluate their work. Right before a meeting to discuss their work, a *Lunny* employee unexpectedly mentions that *Bilkem* is looking for a manager in a new division, *Rank Bobbery*, completely separate from *Lunny*. You tell him you're going to talk to your ethics counselor ASAP and then get back to him with your decision. You then proceed with the meeting.
- QUESTION: **Did you do the right thing?**



# Possible Answers

1. No. Even though you were going to talk to your ethics counselor immediately, you did not reject the offer, and you continued to participate in the meeting involving *Bilkem*.
2. Yes. You didn't make any commitment, and you put the *Bilkem* employee on notice that you needed to consult with your ethics counselor.
3. Yes. The *Lunny Mondering* division is separate from the *Rank Bobbery* division, so any discussions you had regarding *Rank Bobbery* were irrelevant to your work on *Lunny Mondering* matters.



# Correct Answer

#1. Once you have engaged in a conversation such as just described, you are considered to be seeking employment with the company.

The lesson: Talk to your ethics counselor now, not later.



# Post-Government Service Employment Restrictions (cont.)

SCENARIO: Having settled the issue in the previous question, you decided to retire and enjoy life. But 6 months after leaving USAID, you contact L..O. Cate, director of the *Lunny Mondering* division.



- He offers you a job in his division. You would not drum up new business for the company, but just help it perform the existing \$12 million USAID Economic Growth contract. You would help to develop probability and statistical models. Only a small portion of your time would involve interacting with USAID offices on the Economic Growth contract.
- QUESTION: What may you tell Mr. Cate?

# Possible Answers

1. “That’s great. I want to work with you, but don’t think I can work on that contract.”
2. “That’s great. I want to work with you, but don’t think I can talk to Government people.”
3. “That’s great. I want to work with you, but don’t think I can work on that contract for another 6 months.”

# Correct Answer

#2. Because you participated in the Economic Growth contract as a Government employee by having technical responsibilities for the program and reviewing the contractor's work product, you participated personally and substantially in the contract. That participation triggers a ban on representing anybody outside the Government to the Executive and Judicial branches on that contract. Your forbidden representation would generally include interactions with Government personnel just to carry out the existing contract.

# Conclusion



- **No matter what the ethics issue may be, if you're not sure what to do, check with your ethics counselor in advance.**



# Employees' Responsibilities under Federal Conflict of Interest Statutes:

- *Conflicting Financial Interests*
- *Bribery and Graft*
- *Outside Representation or Compensation in Matters Involving Government*
- *Post-Government Employment Restrictions*



# Conflicting Financial Interests

- You May NOT Officially Participate
- In a Particular Matter
- That Could Affect your Financial Interests or
  - those of your spouse, minor children, general partner, or organization with which you are negotiating or have an arrangement for future or current employment
- If You Have a Conflict, Contact your Ethics Counselor to Determine The Remedy



# *Bribery and Graft*

- You may not seek or accept anything of value, other than your government pay, for being influenced in your official duties.



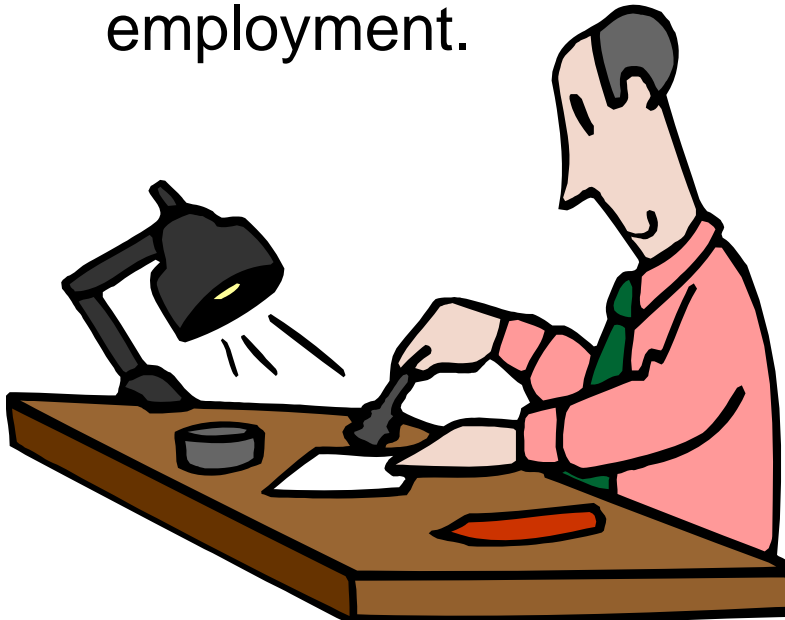
## *Outside Representation or Compensation in Matters Involving Government*

- You generally may not represent anyone other than the government to a federal agency or court on a particular matter involving the government. You generally may not share in any compensation resulting from such a representation that was made by anybody else to a Federal agency or court during the time you were a Federal employee.

# *Post-Government Employment Restrictions*

- Seeking and Engaging in Nonfederal Employment while You are still in the Government

- You may not do government work that affects someone with whom you are seeking employment.



- If you engage in nonfederal employment while you are on terminal leave or otherwise still in government service, you may not represent anybody outside the government to the government, with or without compensation, and may not share in compensation for any services performed by anyone to represent someone outside the government to the government.

# *Post-Government Employment Restrictions (cont)*

## Procurement Integrity

- No Compensation for One Year
- If You Held a Certain Position
- In a \$10 Million Matter
- Ethics Advisory Letter



# *Post-Government Employment Restrictions (cont)*

- Restrictions other than Procurement Integrity

- Civilian Employees with Annual Rate of Basic Pay at or above \$142,898 (in 2006), and General and Flag Officers
- All Officers and Employees
- Officers and Employees who file Public Financial Disclosure Reports (SF 278)





# *Post-Government Employment Restrictions (cont)*

Civilian Employees with Annual Rate of Basic Pay at or above \$142.898 (in 2006), and General and Flag Officers:

- For one year after leaving your senior position, you may not represent anybody outside the government to employees of your former agency with the intent to influence them in connection with an official action.
- For one year after leaving your senior position, you may not aid, advise, or represent a foreign government or foreign political party with the intent to influence the U.S. Government.





# *Post-Government Employment Restrictions (cont)*

## All Officers and Employees

### All Officers and Employees

- Lifetime Ban – Personal and Substantial Participation
- Two-Year Ban - Official Responsibility
- One-Year Ban - Trade or Treaty Negotiations
- Nonpublic Government Information

# Post-Government Employment Restrictions (cont)

## Employees who file Public Financial Disclosure Reports (SF 278)

You must file a final report not later than 30 days after you leave federal service.

SF 278 (Rev. 03/2000)		Corrected Version				Form Approved OMB No. 3209-0001	
Executive Branch Personnel PUBLIC FINANCIAL DISCLOSURE REPORT							
6	Date of Appointment, Candidacy, Election or Nomination (Month, Day, Year)	7	Reporting Status (Check appropriate boxes)	8	Calendar Year Covered by Report	9	Termination Date (If Applicable) (Month, Day, Year)
10	4/1/03	11	<input checked="" type="checkbox"/> Incumbent	12	2004	13	<input type="checkbox"/> New Entrant, Nominee, or Candidate
14	Reporting Individual's Name	15	Last Name	16	First Name and Middle Initial	17	
18	Position for Which Filing	19	Title of Position	20	Department or Agency (If Applicable)	21	
22	Location of Present Office (or forwarding address)	23	Address (Number, Street, City, State, and ZIP Code)	24	Telephone No. (Include Area Code)	25	
26	Position(s) Held with the Federal Government During the Preceding 12 Months (If Not Same as Above)	27	Title of Position(s) and Date(s) Held	28			
29	Presidential Nominees Subject to Senate Confirmation	30	Name of Congressional Committee Considering Nomination	31	Do You Intend to Create a Qualified Diversified Trust?	32	
33		34		35	<input type="checkbox"/> Yes <input type="checkbox"/> No	36	
37	Certification	38	Signature of Reporting Individual	39	Date (Month, Day, Year)	40	
41	I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge.	42	Jane Doe	43	3/1/2005	44	
45	Other Review (If desired by agency)	46	Signature of Other Reviewer	47	Date (Month, Day, Year)	48	
49		50	Tom Smith	51	3/1/2005	52	
53	Agency Ethics Official's Opinion	54	Signature of Designated Agency Ethics Official/Reviewing Official	55	Date (Month, Day, Year)	56	
57	On the basis of information contained in this report, I conclude that the filer is in compliance with applicable laws and regulations (subject to any comments in the box below).	58	Deputy D. Doe	59	5/2/005	60	
61	Office of Government Ethics Use Only	62	Signature	63	Date (Month, Day, Year)	64	
65	Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet)	66					
67 (Check box if filing extension granted & indicate number of days) <input type="checkbox"/>							
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**You are strongly encouraged to consult your ethics counselor well before you separate from the government about the post-government service restrictions that will apply to your specific situation.**



# *Supplementation of Federal Salary*

- You generally may not accept any compensation from a non-Federal source for your government work.



## IV. Ethics Contacts:

Visit us at

- <http://inside.usaid.gov/A/GC/EA/>

